

*Final*



## North Carolina Procurement Transformation

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Technology Workstream  
**Technology Benefits Case &  
Implementation Plan**  
March 7, 2011

## Contents

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- **Approach**
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  - **Spend Reporting Solution**
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  - **User Data Interface & Authentication**
  - **Category Structure Update**
  - **PunchOut Catalog Management**
  - **Electronic Invoice Processing**

## Executive Summary

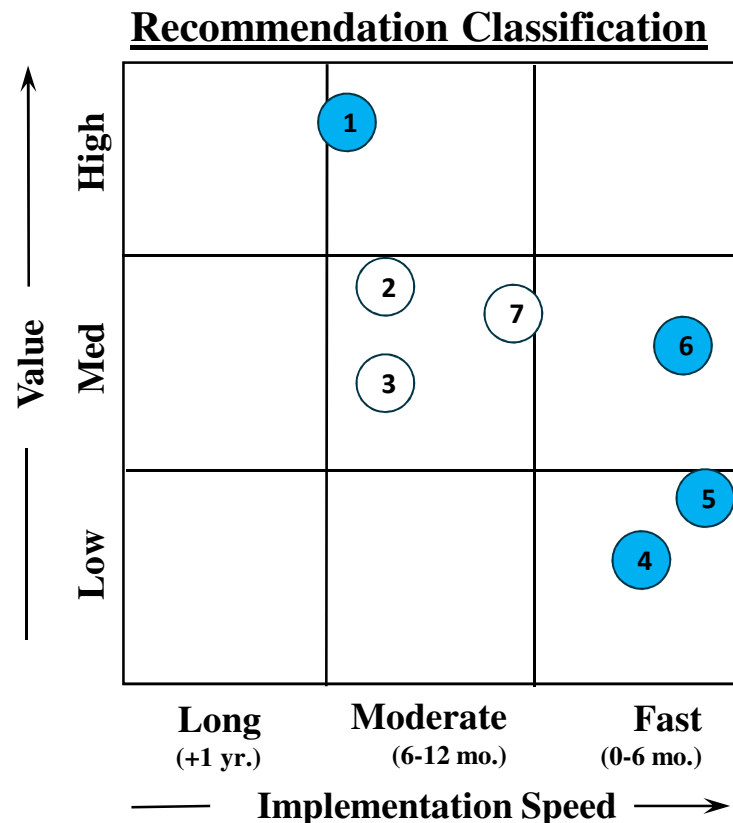
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**The State has the potential to achieve more efficient procurement processes, improved data quality and visibility, and a lower total cost of ownership by implementing the recommended Technology Improvement Options.**

1. Implement a spend reporting solution to improve visibility to what the State purchases, allowing for better identification of procurement opportunities and controlled spend.
2. Review the current vendor registration solution for enhancement/replacement and perform master data cleanup, creating a single master supplier data source.
3. Expand or supplement the current eSourcing/bidding capabilities to reduce bid entry and evaluation times.
4. Implement a user data interface between BEACON and eProcurement to synchronize user attributes and user activation/deactivations. Connect the eProcurement to NCID for user authentication minimizing user password management and aligning with the State's security initiatives.
5. Update the State's category code structure and implement the Accenture developed Category Taxonomy (created during the sourcing assessment) to improve consistency between systems and enhance spend reporting.
6. Improve the current PunchOut catalog management process to ensure effective price management between established contracts, and direct procurement users to items on contract.
7. Implement an electronic invoice processing solution to reduce manual overhead associated with paper based invoice processes.

## Executive Summary

The recommendations are charted here to show value vs. the speed to implement. The State should take both factors into consideration when deciding project priorities.



● Assessed Capability	Recommendation is associated with an in process workstream
○ Deferred Capability	Recommendation aligned with a deferred workstream

#	Key Recommendation*
1	Spend Reporting Solution
2	Vendor Registration
3	eSourcing/Bidding
4	User Data Interface & Authentication
5	Category Structure Update
6	PunchOut Catalog Management
7	Electronic Invoice Processing

\* Recommendations for the eProcurement Buying Solution are not included in this list as the implementation plan / business case is being managed as part of a separate Ariba Buyer upgrade decision process

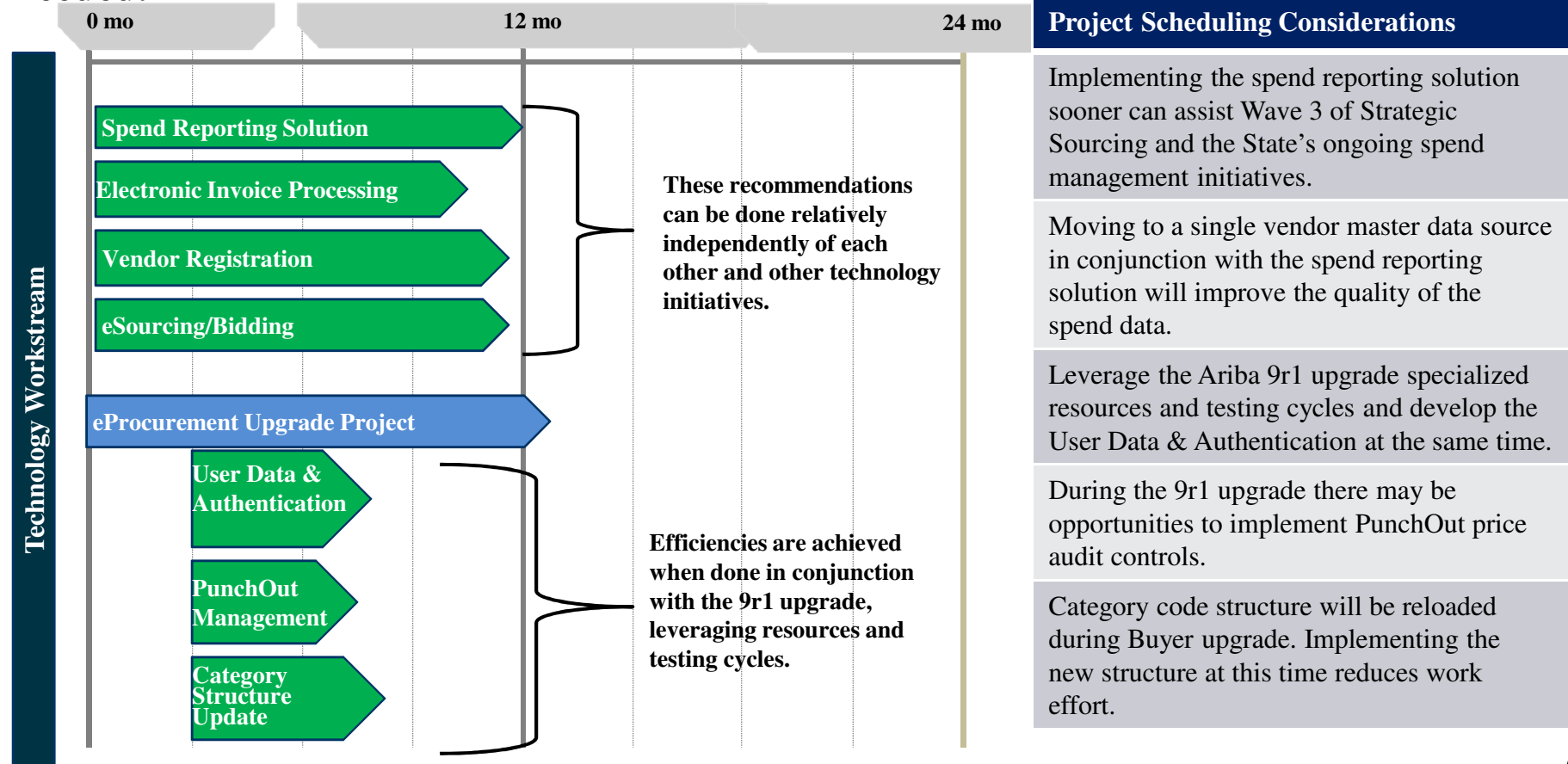
## Executive Summary

**This table describes how each recommendation aligns with the overall Procurement Transformation Guiding Principles.**

Rec #	Key Recommendation	Best Value	Customer Focus	Delivery Excellence	Compliance and Accountability	Operational Efficiency	Workforce Excellence	Strategic Planning
1	Spend Reporting Solution	✓	✓	✓	✓	✓		✓
2	Vendor Registration		✓	✓	✓	✓		
3	eSourcing/Bidding		✓		✓	✓		
4	User Data Interface & Authentication		✓	✓	✓	✓		
5	Category Structure Update			✓		✓		✓
6	PunchOut Catalog Management	✓	✓	✓	✓			
7	Electronic Invoice Processing		✓	✓	✓	✓		

## Executive Summary

Four recommendations are relatively independent of each other and other technology initiatives. Three recommendations can benefit by starting during the Ariba 9r1 Upgrade. Due to cost and resource constraints these projects may be staggered as needed.



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## Technology Workstream overview

### Objectives:

- Assess current buying tool, vendor registries and reporting systems.
- Identify opportunities to enhance/replace current procurement tools and system processes and provide recommendations on technology roadmap.

### Scope:

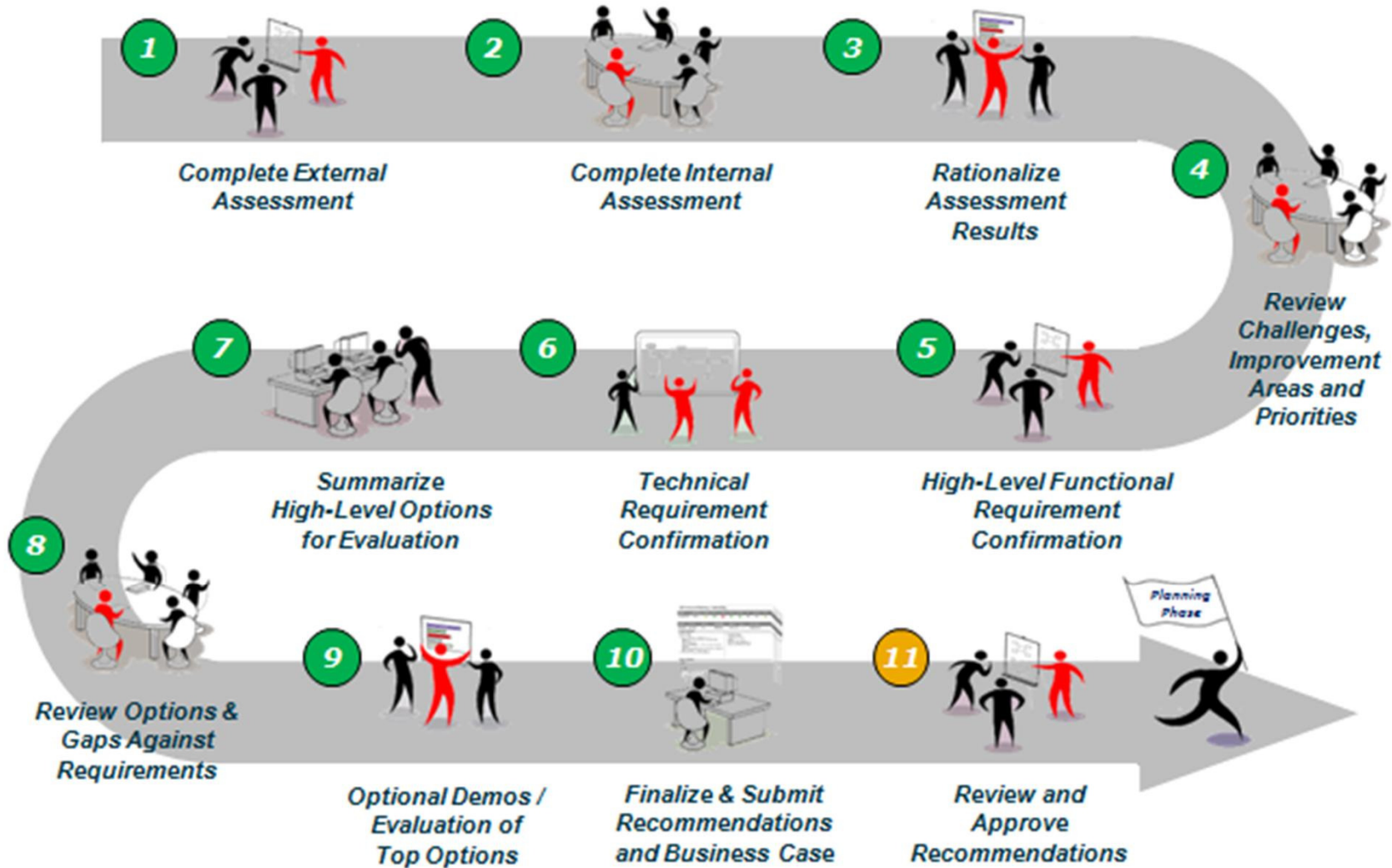
- In scope assessment areas include:
  - Buying Tool
  - Spend Reporting
  - Master Data Management
  - Supplier Integration



### Approach:

- The purpose of this activity was to describe the benefits and high level implementation plans for the recommendations made in the Technology Improvement Options deliverable.
- The following slide summarizes the general approach used in completing the assessment, evaluation, recommendation and the benefits and implementation plans.

## Assessment Approach



## Assessment Approach

For each recommendation three slides describe the benefits and high level implementation plan.

“Recommendation Overview” summarizes the recommendation

“Current Challenges” describes the State’s issues that this recommendation resolves

“Implementation Plan” provides the high level phases, steps, duration, and milestones needed to implement these recommendations

**Category Structure Update - Summary & Benefits**

It's recommended that the State evaluate the current NIGP code structure and ensure that it is synchronized across all source systems and expand the adoption of a higher level category taxonomy.

**Recommendation Overview**

- Adopt the category taxonomy structure developed by Accenture to facilitate sourcing planning and category management.
- Update or replace the current NIGP Commodity Code structure in NCAS and eProcurement.
- Synchronize updated NIGP codes across all State systems utilizing the code structure.

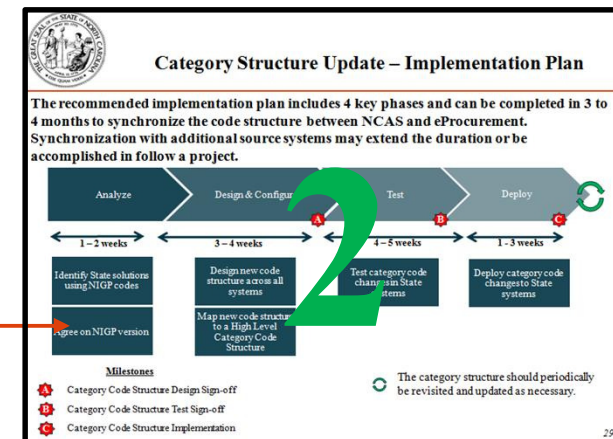
**Benefits**

- Provides improved data quality in conjunction with spend reporting tool through a common spend classification which ultimately supports knowing what the state is buying and effectively leverages its full buying power of the States to save money.
- Facilitates better sourcing planning across State entities.
- Allows State procurement entities to speak on a common spend category language.

**Current Challenges**

- The State uses different versions of the NIGP code structure between NCAS and eProcurement.

“Benefits” describe the advantages the State will gain by implementing these recommendations



“Planning Considerations” are key ideas the State should use to plan the level of effort

“Dependencies” describe work that should occur before implementing this recommendation

**Category Structure Update – Implementation Details**

The State should assess the use of NIGP codes across all of its solutions and ensure that the structure is synchronized across them.

Planning Considerations	Key Roles	Skills & Knowledge
<ul style="list-style-type: none"> <li>Synchronizing the NIGP codes between NCAS and eProcurement during Aniba Sri Upgrade would leverage the upgrade testing cycle.</li> <li>Determine the number of in scope systems using NIGP codes to assess the level of effort.</li> <li>Solutions that may provide spend data to a spend reporting solution should synchronize NIGP codes.</li> <li>Determine any associated licensing cost if selecting a new version of the NIGP code.</li> <li>Ability for in scope systems to adapt to a new code structure may affect the deployment schedule.</li> <li>Evaluate the need to retrain all eProcurement users on any impacts from the commodity code updates, including the potential implementation of a new high level structure.</li> <li>Key design decisions including number of digits to require for commodity code classification at the line item level as well as decision on whether to attempt to convert historical data could significantly change the effort required.</li> </ul>	<ul style="list-style-type: none"> <li>In Scope Systems Experts</li> <li>Project Manager</li> </ul>	<ul style="list-style-type: none"> <li>Know how their systems currently utilize the NIGP codes.</li> <li>Can pull the NIGP codes for capability gaps.</li> <li>Design changes to their solution for NIGP code structure change.</li> <li>Implement and manage change of NIGP codes to their respective systems.</li> <li>Work with in scope system experts to identify NIGP gaps.</li> <li>Select new NIGP structure.</li> <li>Collaborate with in scope system experts to implement and manage NIGP code change.</li> <li>Review and confirm implementation of new high level category structure and it's mapping to NIGP codes.</li> </ul>

**Dependencies**

The eProcurement Aniba Sri Upgrade has started so that overall implementation steps (design, build, test) can be merged into the overall upgrade plan.

“Key Roles” provide an overview of key resources and the type of knowledge needed to implement these recommendations

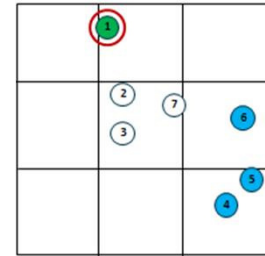
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## Spend Reporting Solution – Summary & Benefits

**It's recommended that the State conduct a formal sourcing process to procure and implement a spend reporting solution with Software as a Service as the optimal delivery model.**



### Recommendation Overview

- A spend reporting solution would allow the State to more effectively monitor its spend.
- The State should seek to understand all of its sources of spend data and evaluate the quality of that data. The State may look to Data Enrichment services to enhance missing data.

### Current Challenges

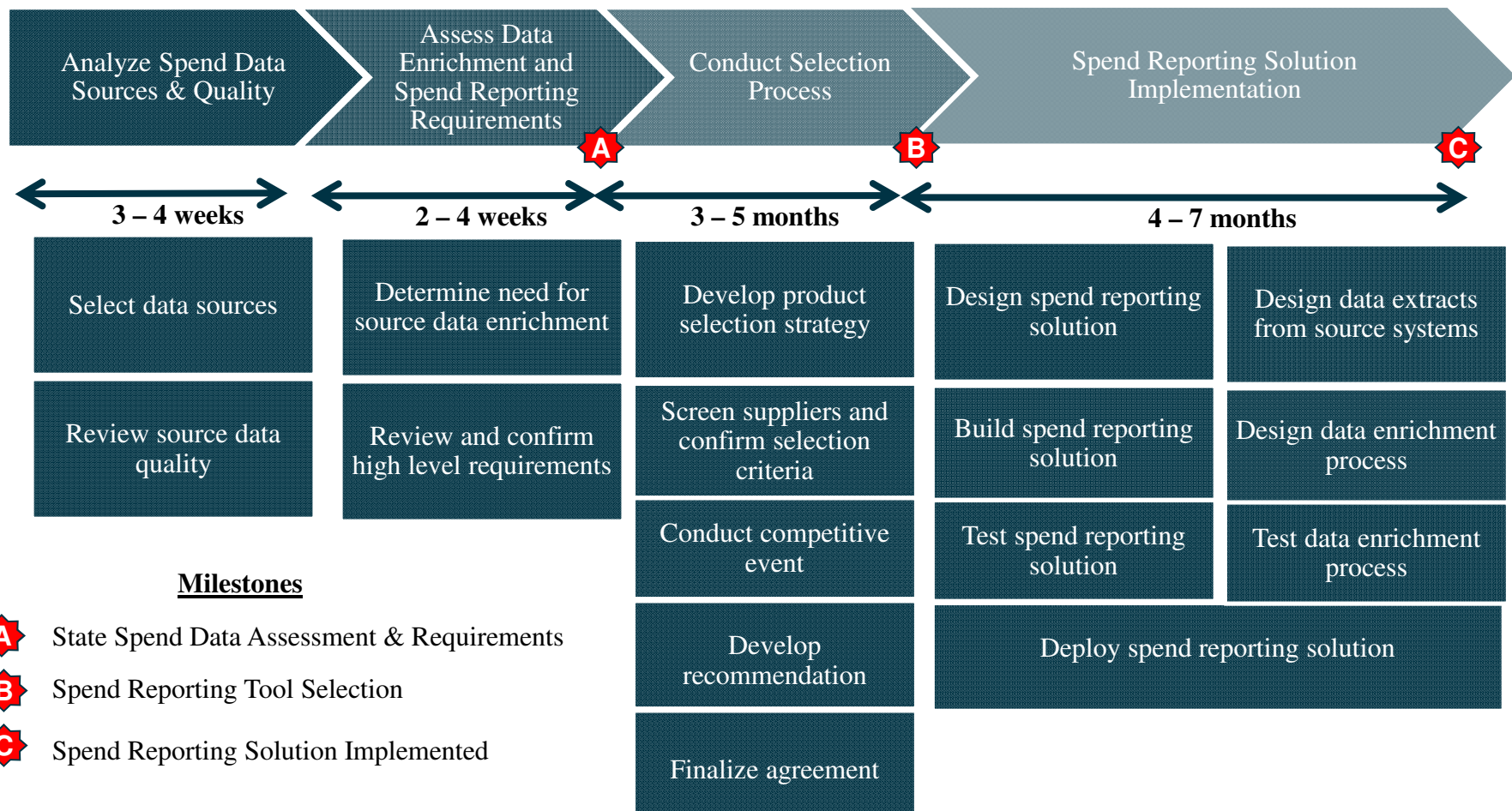
- The State's spend data is spread across disparate source systems owned by many different State entities.
- Source system data lacks consistency and standardization (e.g. consistent suppliers, category coding, level of detail, etc.), which prevents accurate spend reporting
- Current tools are difficult to use and have restricted user adoption and roll-out.

### Benefits

- Better identification of sourcing opportunities to save money on goods and services purchased, measuring compliance with established state contracts, which saves money, and critical procurement management metrics which support an efficient procurement operation are key benefits from spend reporting solutions.
- Ability to report on spend data from disparate source systems in a single solution getting a true statewide picture of the State's spending patterns.
- Reduced total cost of ownership for this solution by selecting a Software as a Service delivery model. SaaS solutions reduce the need for the State to implement, manage, and provide ongoing support for the solution.
- Increased user adoption by selecting a spend reporting solution that is easy to use and scale.

## Spend Reporting Solution – Implementation Plan

The recommended implementation plan has four major steps which can be executed over a period of 8 to 14 months and results in a fully implemented spend reporting solution.



## Spend Reporting Solution – Implementation Details

**The duration of the spend reporting solution implementation will depend on many factors, including the number of spend source systems, the type of software selected, and the number and quality of resources available to support the effort.**

Planning Considerations	Key Roles *	Skills & Knowledge
<p>The number of spend data source systems can impact:</p> <ul style="list-style-type: none"> <li>• Cost of SaaS solution.</li> <li>• Duration and complexity of Data Enrichment process.</li> <li>• Number of State entities that would need to provide spend data extracts.</li> </ul>	Functional Designer	<ul style="list-style-type: none"> <li>• Understand State spend reporting needs.</li> <li>• Design enhancements needed to base solutions.</li> </ul>
<p>SaaS deployments typically take less time than if the State stands up its own servers and implements the software itself.</p>	Technical Designer	<ul style="list-style-type: none"> <li>• Understand how to customize solution to meet requirements.</li> <li>• Develop technical design documentation.</li> </ul>
<p>A phased rollout approach with key spend source systems drives value sooner. Additional source systems can be added in later phases.</p>	IT Software Category Sourcing Manager	<ul style="list-style-type: none"> <li>• Manage selection of spend reporting provider.</li> <li>• Understand spend reporting solution providers.</li> <li>• Understand data enrichment services.</li> </ul>
<p>Understand the number of source systems and the quantity and quality of the data before selecting a solution.</p>	Spend Data Analyst	<ul style="list-style-type: none"> <li>• Identify source systems.</li> <li>• Assess data quality.</li> <li>• Assess need for data enrichment.</li> </ul>
Dependencies		
None.		

\* Typical IT implementation resources (e.g. Project Managers, Developers, Testing Resources, Change Management, etc.) will be required and the specific effort will vary based upon an in house deployment vs. a Software as a service implementation.

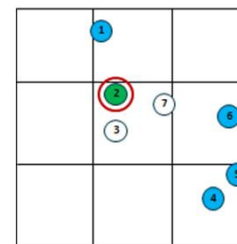
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## Vendor Registration - Summary & Benefits

**It's recommended that the State improve its vendor management processes and tools.**



### Recommendation Overview

- Improve the current vendor registration solutions or implement a new one to create a single vendor master data source and distribute it to all subscribing systems.

### Current Challenges

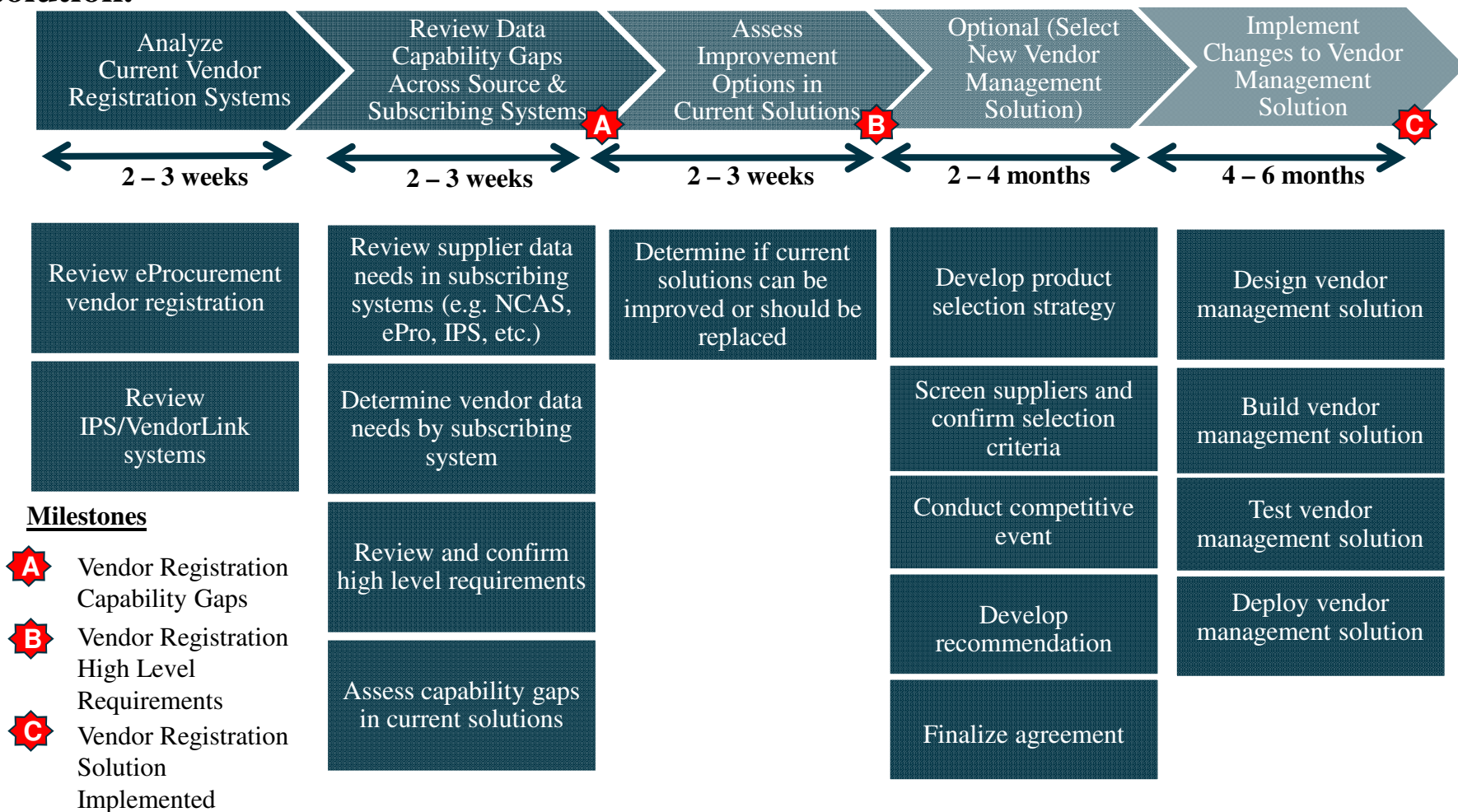
- Multiple vendor management systems. (e.g. IPS, eProcurement vendor registration)
- Vendors are also maintained manually in NCAS (direct pay vendors), DOT, University systems, etc.
- Data interfaces have limitations due to data model challenges. For example, NCAS accepts new vendors, but not changes or deletions from the eProcurement Vendor Registration application. Also, some values such as bank account details are captured, but not passed to NCAS where needed.

### Benefits

- Increased vendor data consistency and accuracy by having a single source of vendor data for the State.
- Minimized data management effort for vendors to self manage data by providing a single point of entry.
- Reduced manual maintenance of vendor data in systems such as NCAS and DOT.
- Prepares the State for additional reporting requirements, including the upcoming 3% withholding to be imposed by the Federal Government.

## Vendor Registration – Implementation Plan

The recommended implementation plan has four key phases and one optional phase, which can be executed over a period of 7 to 12 months to implement a single vendor registration solution.



## Vendor Registration – Implementation Details

**The vendor registration consolidation will require coordination with the key stakeholders from the current solutions and subscribing systems.**

Planning Considerations	Key Roles *	Skills & Knowledge
Bring the Supplier Management workstream into scope and complete a formal assessment of the vendor registration systems to scope the effort.	Functional Designer	<ul style="list-style-type: none"> <li>Understand State vendor registration requirements.</li> <li>Design enhancements to solution.</li> </ul>
Collaborate with vendors to assess functionality and confirm requirements. (e.g. Vendor Advisory Board)	Technical Designer	<ul style="list-style-type: none"> <li>Understand how to customize current vendor registration solution to meet requirements.</li> <li>Develop technical design documentation.</li> </ul>
If the current vendor registration solutions cannot meet the State's needs, the State may choose to procure a new vendor registration solution.	(Optional) IT Software Category Sourcing Manager	<ul style="list-style-type: none"> <li>Manage selection of vendor registration tool.</li> <li>Understand vendor registration software marketplace.</li> </ul>
Additional work may be required on the subscribing systems to ensure they can accept the initial load and future updates.		

Dependencies
None.

- \* Typical IT implementation resources (e.g. Project Managers, Developers, Testing Resources, Change Management, etc.) will be required and the specific effort will vary based on the solution direction, including the decision to implement a new solution or upgrade an existing one.

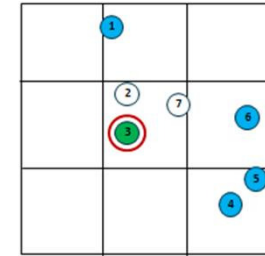
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## eSourcing/Bidding Solution - Summary & Benefits

**It's recommended that the State add new bid system features that allow vendors to submit bid responses electronically.**



### Recommendation Overview

- Improve or replace the current online bidding tools giving vendors the ability to submit responses electronically.
- Ensure vendors can see their bid submission status.
- Utilize automated bid tabulation functionality.

### Current Challenges

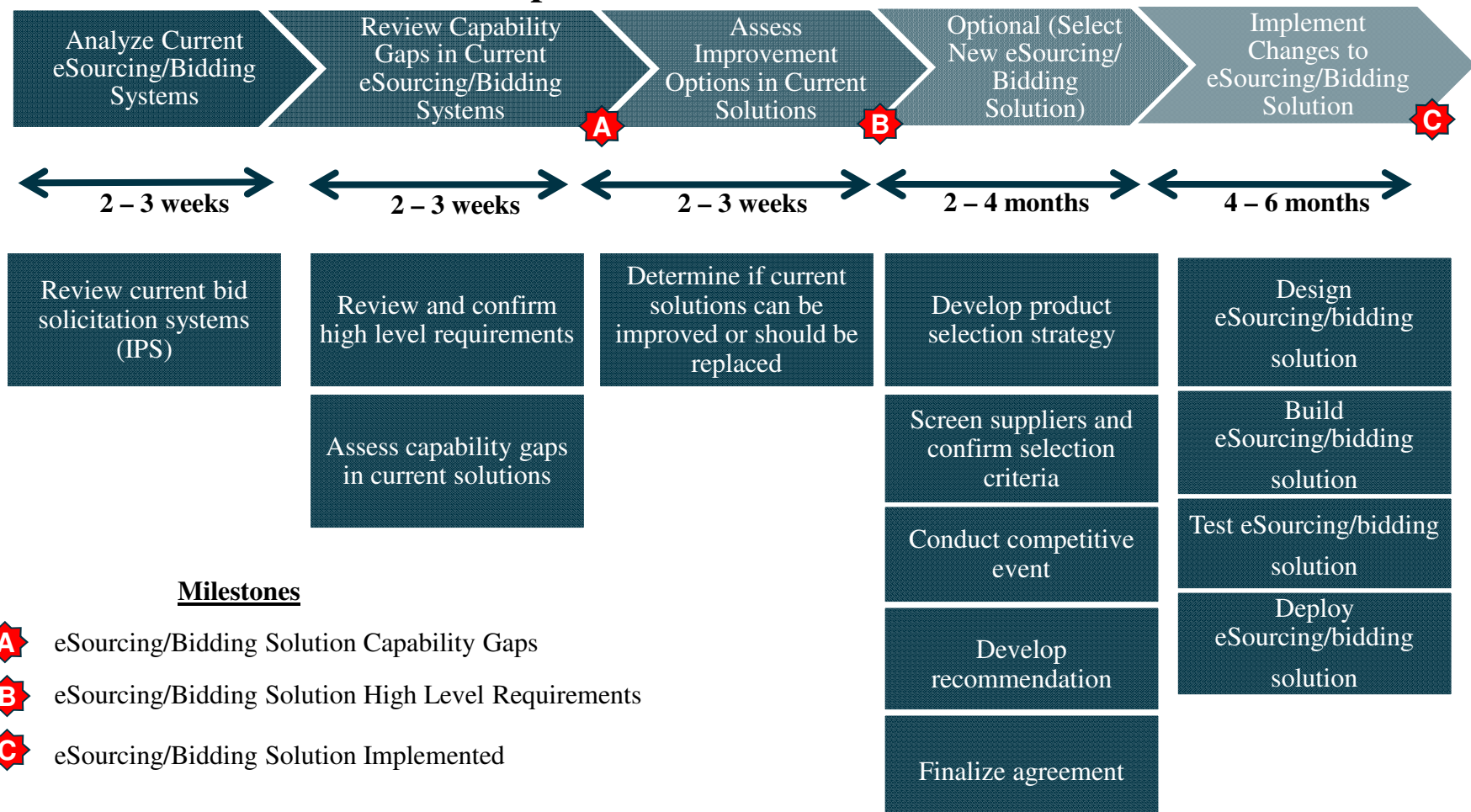
- Current systems do not support acceptance of electronic bid responses from vendors, generating significant manual paper processing requirements for both the State and for vendors.

### Benefits

- Reduced bid administrative efforts with automated bid scoring functionality in newer eSourcing/Bidding tools.
- Minimized manual processing efforts for vendors and State resources with electronic bids.
- Provides an electronic audit trail on bid submissions.
- Reduces vendor questions on bid submission time and confirmation.

## eSourcing/Bidding Solution – Implementation Plan

The recommended implementation plan has four key phases and one optional phase, which can be executed over a period of 7 to 12 months to implement eSourcing/Bidding solutions with advanced bid submission capabilities.



## eSourcing/Bidding Solution – Implementation Details

**The State will need to evaluate their current eSourcing/Bidding solution to determine if it can be improved or upgraded to support electronic bidding.**

Planning Considerations	Key Roles *	Skills & Knowledge
Bring the Sourcing, Quote, and Solicitation workstream into scope and complete a formal assessment of the current eSourcing/Bidding solutions to effectively scope the effort.	Functional Designer	<ul style="list-style-type: none"> <li>Understand State eSourcing/Bidding functional requirements.</li> <li>Design enhancements to solution.</li> </ul>
Collaborate with vendors to assess functionality and confirm requirements. (e.g. Vendor Advisory Board)	Technical Designer	<ul style="list-style-type: none"> <li>Understand how to customize current eSourcing/Bidding solution to meet requirements.</li> <li>Develop technical design documentation.</li> </ul>
If the current eSourcing/Bidding solutions cannot be modified to meet the State's needs, the State may choose to procure a new eSourcing/Bidding solution.	(Optional) IT Software Category Sourcing Manager	<ul style="list-style-type: none"> <li>Manage potential selection of eSourcing/Bidding solutions.</li> <li>Understand eSourcing/Bidding software marketplace.</li> </ul>
SaaS deployments typically take less time than if the State stands up its own servers and implements the software itself.		
Dependencies		
None.		

\* Typical IT implementation resources (e.g. Project Managers, Developers, Testing Resources, Change Management, etc.) will be required and the specific effort will vary based on the final scope of the project.

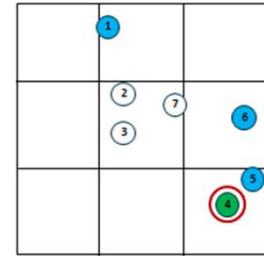
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## User Data Interface & Authentication – Summary & Benefits

**It's recommended that the State implement synchronization of User Data between BEACON, NCID & eProcurement for State Agency users only.**



### Recommendation Overview

- Implement a user data interface from the BEACON HR source of truth system to the eProcurement system.
- Connect eProcurement to NCID for user password authentication.
- Modify the eProcurement solution to allow users to change organizations without having to create another user id in the solution.

### Current Challenges

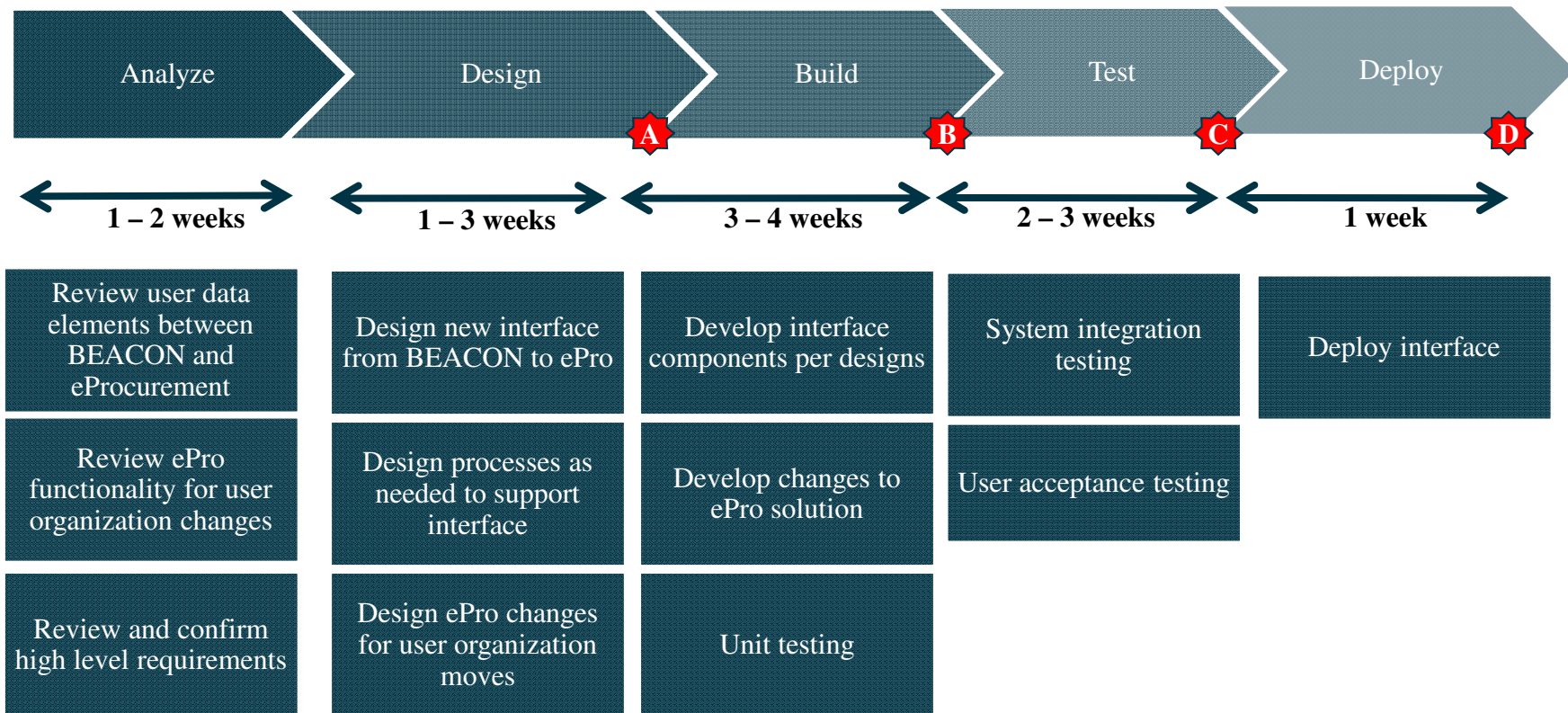
- Users must manage user data attributes in both BEACON and eProcurement.
- If a user changes organizations, they may have to have two or more eProcurement IDs to keep transactions aligned.
- There is inconsistent management of users as employees leave across systems.

### Benefits

- Reduced errors in eProcurement user data (e.g. Name, Email address, etc.) by receiving those attributes automatically from BEACON.
- Simplified password management for agency users by using NCID for authentication.
- Improved security as deactivated users cannot access eProcurement once they have been deactivated in NCID.
- Reduced user maintenance by eliminating the need to create a new user ID in eProcurement when the user changes organizations.

## User Data Interface & Authentication – Implementation Plan

The recommended implementation plan is a standard enhancement effort with five key phases that can be completed in 2 to 3 months.



### Milestones

- |  |   |
|--|---|
| <b>A</b> User Data Interface Design Sign-off | <b>C</b> User Data Interface UAT Sign-off       |
| <b>B</b> User Data Interface Build Sign-off  | <b>D</b> User Data Interface Design Implemented |

## User Data Interface & Authentication – Implementation Details

The user data interface between BEACON, NCID authentication, and eProcurement improvements should be completed in conjunction with the Ariba 9r1 Upgrade. This is standard practice in major Ariba deployments.

Planning Considerations	Key Roles*	Skills & Knowledge
Implement the user data interface, NCID authentication, and user organization change configuration in conjunction with the eProcurement Ariba 9r1 Upgrade.	BEACON Functional Resources	<ul style="list-style-type: none"> <li>• Knowledge of available user attribute data and processes regarding data updates.</li> </ul>
Assess the user data attributes between eProcurement and BEACON for an accurate level of effort.	BEACON Technical Resources	<ul style="list-style-type: none"> <li>• Knowledge of BEACON technical architecture and interface elements.</li> <li>• Develop interface design documentation.</li> <li>• Develop, test and implement interface</li> </ul>
Determine the level of effort to use NCID for eProcurement authentication during the analysis phase.	eProcurement Functional Resources	<ul style="list-style-type: none"> <li>• Understand use of user attributes in eProcurement solution.</li> <li>• Design any required enhancements to eProcurement user attributes.</li> </ul>
Current eProcurement transaction visibility requirements may impact the ability to modify the solution to handle user organization changes.	eProcurement Technical Resources	<ul style="list-style-type: none"> <li>• Knowledge of eProcurement technical and integration architecture.</li> <li>• Develop integration design documents.</li> <li>• Develop NCID authentication design documents.</li> <li>• Develop technical designs for any necessary changes to user attributes in procurement.</li> </ul>
	NCID Technical Resources	<ul style="list-style-type: none"> <li>• Provide technical expertise on NCID authentication integration with eProcurement.</li> </ul>
Dependencies		
The eProcurement Ariba 9r1 Upgrade has started so that overall implementation steps (design, build, test) can be merged into the overall upgrade plan.		

\* Typical IT implementation resources (e.g. Project Managers, Developers, Testing Resources, Change Management, etc.) will be required and the specific effort will vary based on the final scope of the project.

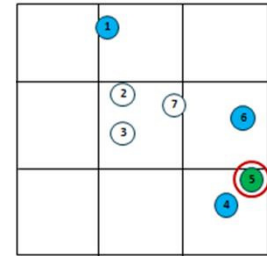
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## Category Structure Update - Summary & Benefits

**It's recommended that the State evaluate the current NIGP code structure and ensure that it is synchronized across all source systems and expand the adoption of a higher level category taxonomy.**



### Recommendation Overview

- Adopt the category taxonomy structure developed by Accenture to facilitate sourcing planning and category management.
- Update or replace the current NIGP Commodity Code structure in NCAS and eProcurement.
- Assess impact to Community Colleges, LEAs and other State agencies utilizing the code structure and synchronize the updated NIGP codes across those systems as needed.

### Current Challenges

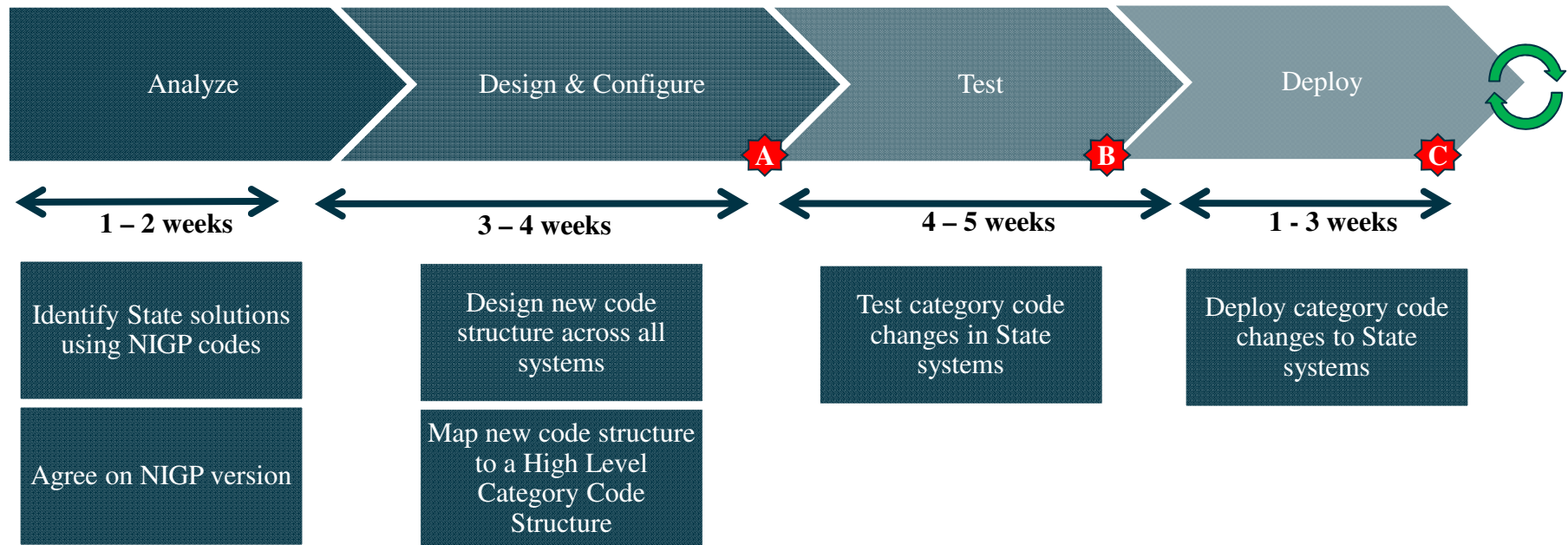
- The State uses different versions of the NIGP code structure between NCAS and eProcurement.

### Benefits

- Provides improved data quality in conjunction with the spend reporting tool through a common spend classification which ultimately supports knowing what the state is buying and effectively leverages the full buying power of the States to save money.
- Facilitates better sourcing planning across State entities.
- Allows State procurement entities to speak on a common spend category language.


## Category Structure Update – Implementation Plan

The recommended implementation plan includes 4 key phases and can be completed in 3 to 4 months to synchronize the code structure between NCAS and eProcurement. Synchronization with additional source systems may extend the duration or be accomplished in a following project.



### Milestones

- A** Category Code Structure Design Sign-off
- B** Category Code Structure Test Sign-off
- C** Category Code Structure Implementation

 The category structure should periodically be revisited and updated as necessary.

## Category Structure Update – Implementation Details

**The State should assess the use of NIGP codes across all of its solutions and ensure that the structure is synchronized across them.**

Planning Considerations	Key Roles	Skills & Knowledge
Synchronizing the NIGP codes between NCAS and eProcurement during Ariba 9r1 Upgrade would leverage the upgrade testing cycle.	In Scope Systems Experts	<ul style="list-style-type: none"> <li>• Know how their systems currently utilize the NIGP codes.</li> <li>• Can pull the NIGP codes for capability gaps.</li> <li>• Design changes to their solution for NIGP code structure change.</li> <li>• Implement and manage change of NIGP codes to their respective systems.</li> </ul>
Determine the number of in scope systems using NIGP codes to assess the level of effort.		
Solutions that may provide spend data to a spend reporting solution should synchronize NIGP codes.		
Determine any associated licensing cost if selecting a new version of the NIGP code.	Statewide Procurement Manager	<ul style="list-style-type: none"> <li>• Work with in scope system experts to identify NIGP gaps.</li> <li>• Select new NIGP structure.</li> <li>• Collaborate with in scope system experts to implement and manage NIGP code changes.</li> <li>• Review and confirm implementation of new high level category structure and it's mapping to NIGP codes.</li> </ul>
Ability for in scope systems to adapt to a new code structure may affect the deployment schedule.		
Evaluate the need to retrain all eProcurement users on any impacts from the commodity code updates, including the potential implementation of a new high level structure.		
Key design decisions including number of digits to require for commodity code classification at the line item level as well as decision on whether to attempt to convert historical data could significantly change the effort required.		
<b>Dependencies</b>		
The eProcurement Ariba 9r1 Upgrade has started so that overall implementation steps (design, build, test) can be merged into the overall upgrade plan.		

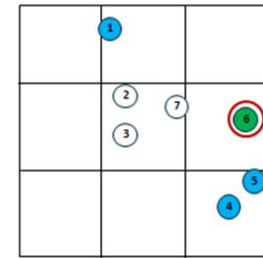
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## PunchOut Catalog Management - Summary & Benefits

**It's recommended that the State address outstanding concerns with punch-out catalogs (audit of items and pricing).**



### Recommendation Overview

- Implement audit process and/or tools to review vendor prices from punch-out catalogs. (i.e. periodic online audit or price comparison of actual prices from purchase orders)
- Limit punch-out catalog use to catalogs where product and pricing change frequently (e.g. daily or weekly) or the vendor site offers unique configuration / build capabilities (e.g. PC providers).
- Reduce the number of items on contract and in catalogs through structured strategic sourcing initiatives.

### Current Challenges

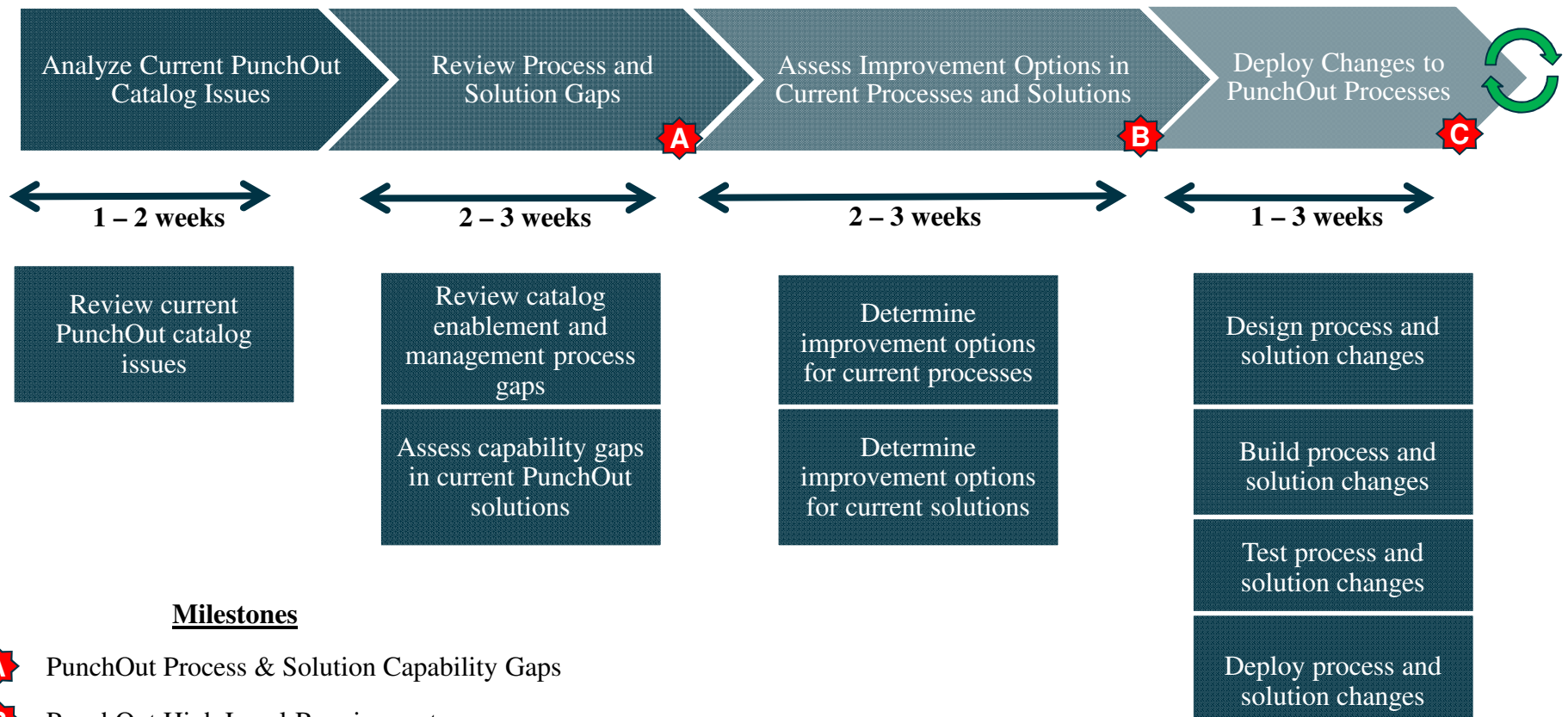
- The current systems and processes do not support regular audit of available products and pricing for punch-out catalogs against vendor contracts.


### Benefits

- Effective PunchOut audit capabilities will allow the State to monitor vendor PunchOut pricing and flag unexpected price changes to better manage the State's spending.
- Improved contract compliance by directing procurement users to catalog items.

## PunchOut Catalog Management – Implementation Plan

The implementation plan includes 4 key phases and can be completed in 2 to 3 months to design and implement an improved PunchOut catalog management process improving price audits.



 The PunchOut management process will be used for future catalog deployments.

## PunchOut Catalog Management – Implementation Details

**The State can utilize its current eProcurement solution and provide better process management around PunchOut catalog management to audit price changes and to drive users to State contracted items.**

Planning Considerations	Key Roles	Skills & Knowledge
Implementing the PunchOut process during the Ariba 9r1 would leverage the upgrade testing cycle.	Catalog Enablement Resources	<ul style="list-style-type: none"> <li>• Understand existing relationship between the State and current PunchOut vendors.</li> <li>• Identify issues with current PunchOut catalog management processes.</li> <li>• Design new PunchOut catalog management processes.</li> </ul>
The number of PunchOut catalogs determines the level of effort.	eProcurement Catalog Manager	<ul style="list-style-type: none"> <li>• Understand how PunchOut catalogs are enabled and managed in eProcurement today.</li> <li>• Know how end users utilize PunchOut items.</li> <li>• Advise catalog enablement resources in enablement and use of PunchOut catalogs.</li> </ul>
Effectiveness of PunchOut catalog management depends on skilled resources to implement the process.	eProcurement Solution Expert	<ul style="list-style-type: none"> <li>• Understand how Ariba or other catalog tool to be used with Ariba may be able to implement PunchOut catalog price audits.</li> </ul>
The 9r1 release of Ariba Buyer may offer capabilities to monitor PunchOut price variances (i.e. additional approval required when PunchOut item prices increase by set percentage beyond the price the same item was purchased at before)		
Potential spend reporting solution may also offer capabilities to monitor product price variance.		
The State's selection of an eProcurement catalog solution may impact the implementation of this recommendation.		
Dependencies		
The eProcurement Ariba 9r1 Upgrade has started.		

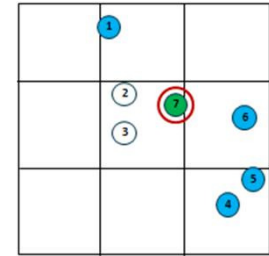
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  - **Electronic Invoice Processing**

## Electronic Invoice Processing - Summary & Benefits

**It's recommended that the State develop capabilities to accept invoices electronically to reduce effort in manual invoice processing.**



### Recommendation Overview

- Implement a supplier enablement program to move vendors with the highest volume of invoices to electronic invoicing, allowing invoices to be posted directly into the State's invoicing systems.
- Utilize an electronic invoice processing solution that provides vendors the ability to check the status of invoices and payments, online.

### Current Challenges

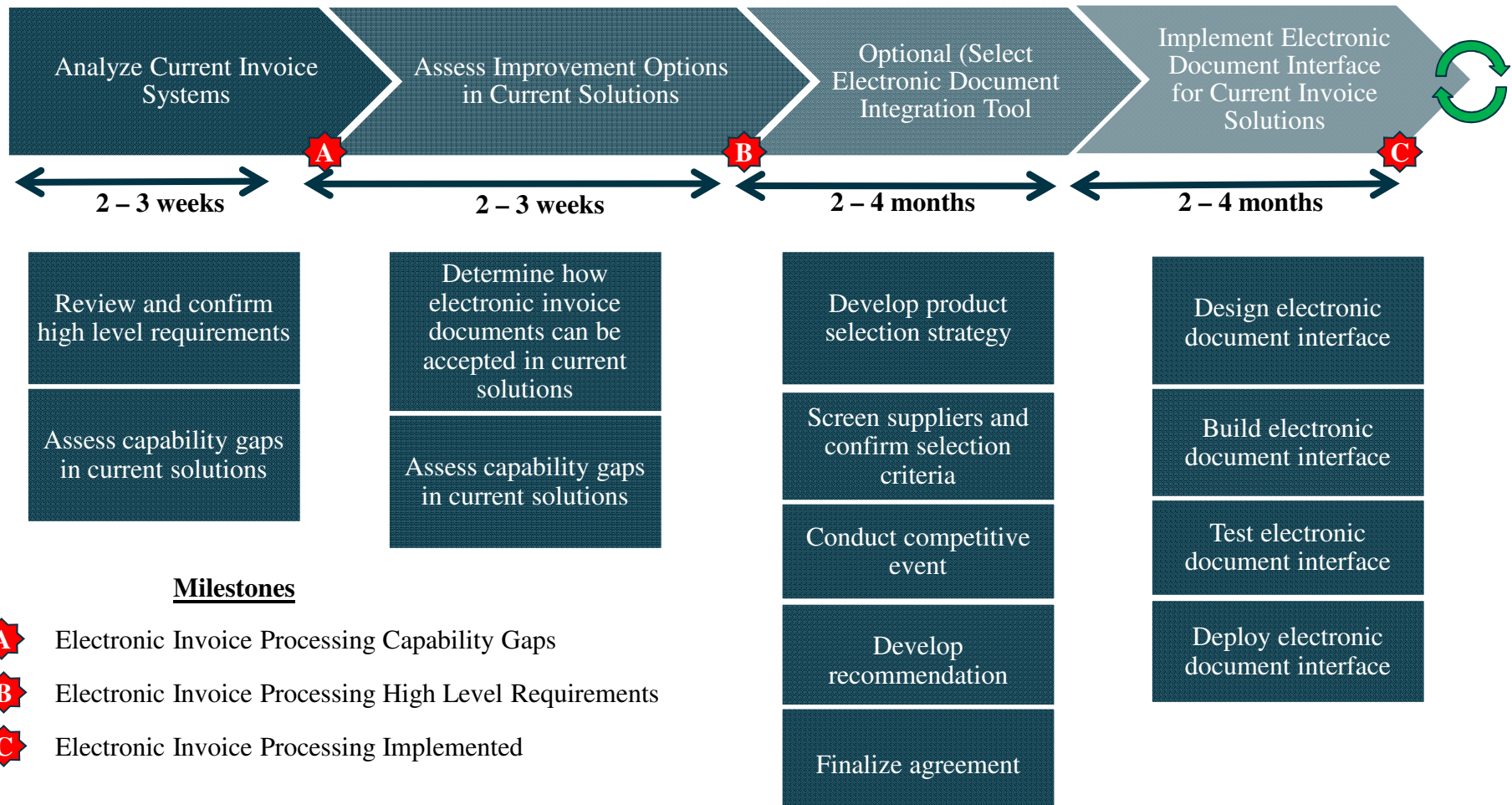
- Electronic invoices are not accepted today resulting in all invoices having to be keyed manually.
- Vendor's don't have "self-service" ability to check status of invoices and payments on-line.

### Benefits

- Utilize electronic invoicing to significantly reduce Accounts Payable data entry time and improve accuracy and speed of processing payment to vendors.
- Process invoices faster, ensuring payment schedule optimization and enhancing the State's ability to leverage early payment discounts.
- Provide vendors the ability to look at payment status online reducing vendor management.

## Electronic Invoice Processing - Summary

There are three key phases and one optional phase, which can be executed over a period of 6 to 10 months to implement electronic invoice processing with State NCAS based Agencies.



## Electronic Invoice Processing - Summary

**The State should implement an electronic document integration tool that allows vendor invoices to be transmitted and accepted by the State's payment systems and allows the State to publish payment status back to the vendors.**

Planning Considerations	Key Roles	Skills & Knowledge
Evaluate the current solutions (e.g. NCAS, eProcurement, SAP, etc.) to determine the existing capabilities to accept electronic invoices. Additional tools may need to be procured in order to implement this functionality.	State ERP/eProcurement Functional Resources	<ul style="list-style-type: none"> <li>• Understand the State's current payment solutions.</li> <li>• Assess the effort to implement the ability for those payment systems to accept and send electronic documents.</li> <li>• Design any required changes to existing payment solutions to enable electronic invoicing.</li> </ul>
Consider a phased roll out approach with key payment systems driving value sooner. Additional payment systems can be added in later phases.	State ERP/eProcurement Technical Resources	<ul style="list-style-type: none"> <li>• Build any required changes to interface payment systems to electronic invoice processing tools.</li> <li>• Provide expert knowledge on State payment systems.</li> </ul>
Collaborate with vendors to assess functionality and confirm requirements. (e.g. Vendor Advisory Board)	Electronic Invoice Processing Subject Matter Specialists	<ul style="list-style-type: none"> <li>• Understand electronic invoice processing networks and standards.</li> <li>• Expert knowledge of electronic invoice processing interface tools and options.</li> </ul>
Assess the impact of document exchange transaction fees. Look to exchanges that can minimize those costs for smaller vendors.	(Optional) IT Software Category Sourcing Manager	<ul style="list-style-type: none"> <li>• Manage potential selection of electronic invoice processing tools.</li> <li>• Understand electronic invoice processing tool marketplace.</li> </ul>
Dependencies		
None.		